with 49% shareholding and Air India and Indian Airlines jointly holding the remaining 51%. However, the GHIAL has not yet finalized the ground handling contract for Hyderabad airport.

In respect of Delhi and Mumbai, no tender has been floated by the airport operators for ground handling and presently Air India and Indian Airlines are independently carrying out ground handling activity at these two airports.

Use of cheque for transactions above Rs. 20,000

*315. DR. K. MALAISAMY:
SHRI S. ANBALAGAN:

Will the Minister of FINANCE be pleased to state:

(a) whether any business or financial transaction to the value of more than 20,000 has to be done by means of a cheque as per the existing instructions which are more than 2 decades old; and

(b) whether in view of inflation and other escalations the ceiling of Rs. 20,000 will be doubled or tripled?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Under the provisions of section 40A(3) of the Income-tax Act, 1961, payment of a sum exceeding Rs. 20,000/- against any expenditure incurred by the assessee, if made otherwise than by an account payee cheque drawn on a bank or account payee bank draft is not allowed as a deduction in computing income under the head "Profits and gains of business or profession". Further, under sections 269SS and 269T of the Income-tax Act, 1961 there is requirement in certain cases of acceptance or repayment of loans or deposits of a sum of Rs. 20,000/- or more through account payee cheque or account payee bank draft.

The limit of Rs. 20,000/- under section 40A(3) was provided *w.e.f.* 1.4.1997. The limit of Rs. 20,000/- under sections 269SS and 269T was provided *w.e.f.* 1.4.1989.

(b) No, Sir.